

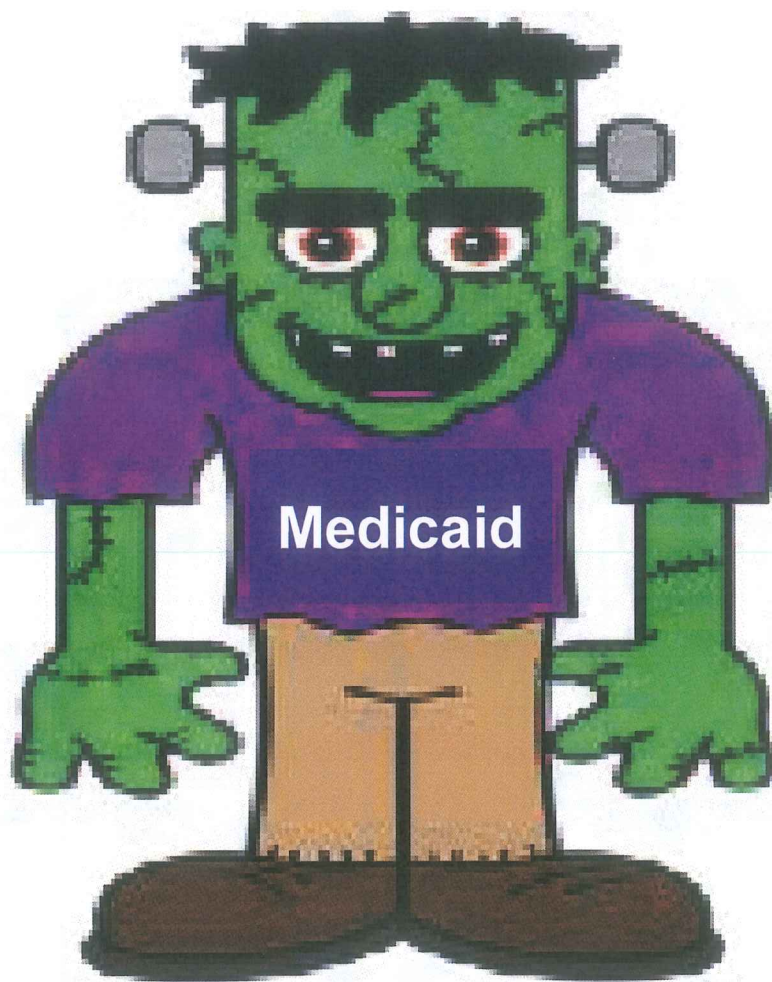
MEDICAID OVERVIEW



March & April 2016

Spring Medicaid Training

The Frankenstein Monster



March & April 2016

Spring Medicaid Training



Medicaid Jargon



History and Background

- Medicare and Medicaid legislation passed in 1965
 1. Part of the Social Security Act (passed in 1935)
 2. Title 18 – Medicare
 3. Title 19 – Medicaid
- Who received the first Medicare card?

What's the difference?

- **Medicare** – national health insurance for people ≥ 65 and some people who have disabilities
 1. If you've performed paid work, you've paid into it
 2. Part A – hospital insurance
 3. Part B – medical insurance (e.g. doctor visits)
 4. Part C – managed care plan for hospital and medical coverage (Medicare Advantage)
 5. Part D – prescription drug coverage

What's the difference?

- **Medicaid** – Health care program for people with very low incomes who also meet some other eligibility criteria:
 1. Age (child or elder)
 2. Condition (pregnancy)
 3. Disability
- States don't have to participate, but all states now do

Medicaid

- State-run program jointly financed by federal and state governments
 1. Federal money in the form of the matching of state money
 2. Each state has a different match rate each year based on a variety of economic factors (FMAP)
- Certain people can be covered by both Medicare and Medicaid

Medicaid's Three Big Rules

- Services must be offered statewide
- Services must be comparable, i.e. the same for everyone
- Beneficiaries must be offered freedom of choice among qualified providers

Who Is Covered By Medicaid?

- Low income and age
- Low income and disability
- Low income and pregnant/caretaker
- Optional populations (e.g. medically needy)

What Flexibility Do States Have?

- Optional eligibility requirements
- Optional benefits
- Limited or alternative benefits
(more on this later)
- Service delivery mechanisms
 - Fee for service (FFS)
 - Primary Care Case Management (PCCM)
 - Capitated managed care

Medicaid State Plan

- Specifies the eligibility groups served, benefits provided, and how the program is operated
- Provides the basis for a state's claim for Federal financial participation (FFP)
- The state plan and all subsequent amendments must be reviewed and approved by the federal government

What Is Covered By Medicaid?

- Mandatory Services
 - Inpatient Hospital
 - Outpatient Hospital
 - Rural Health Clinic Services
 - Federally Qualified Health Center (FQHC) Services
 - Lab and X-Ray Services
 - Transportation to medical care
 - Home Health
 - EPSDT “Kan Be Healthy”
 - Physician Services
 - Dental Services (for children)
 - Tobacco cessation counseling for pregnant women
 - Nursing Facilities
 - Family Planning
 - Pregnancy Care
 - Some Other Practitioner Services

What Is Covered By Medicaid?

- Optional Services

- Prescribed Drugs
- Clinic Services
- Physical Therapy
- Occupational Therapy
- Speech, Hearing and Language
- Prosthetic Devices
- Optometric Services
- Eyeglasses
- Rehabilitation Services
- Health Homes
- Respiratory Care Services
- Other diagnostic/screening services
- Mental Health
- Hospice
- Targeted Case Management
- Podiatry
- Chiropractic
- HCBS, ICF-MR (ICF/IID)

Working Healthy

Working Healthy incentivizes employment for people with disabilities

Working Healthy benefits include:

- Full Medicaid coverage
- Elimination of spend down or client obligation
- Ability to earn more income without loss of medical coverage
- Affordable premiums
- Allowance of higher savings than traditional Medicaid
- Help with Medicare expenses
- Personal assistance services under *WORK*
- Benefits planning and assistance
- Long term supports via *WORK*

WORK

- Individuals eligible for *Working Healthy* receive personal assistance and other services through *WORK*
- State Plan “Alternative Benefit Plan” consisting of services approved by CMS in September 2014
 - > Personal Assistance Services (PAS)
 - > Assistive Services
 - > Independent Living Counseling (ILC)

How Does Medicaid Work In Kansas?

- Single State Medicaid Agency (SSMA) – KDHE – responsibilities:
 1. Maintains State Plan
 2. Sets eligibility policy, within federal guidelines, to allow people to apply for Medicaid
 3. Contracts for Medicaid Management Information System (MMIS)
 4. Contracts with three managed care organizations (MCOs)

Kansas Department of Health & Environment

- Primary contact with Centers for Medicare and Medicaid Services (CMS) at the federal level for:
 1. Drawing down federal funds
 2. Maintaining program integrity and combating fraud and abuse
 3. Submitting federal reports

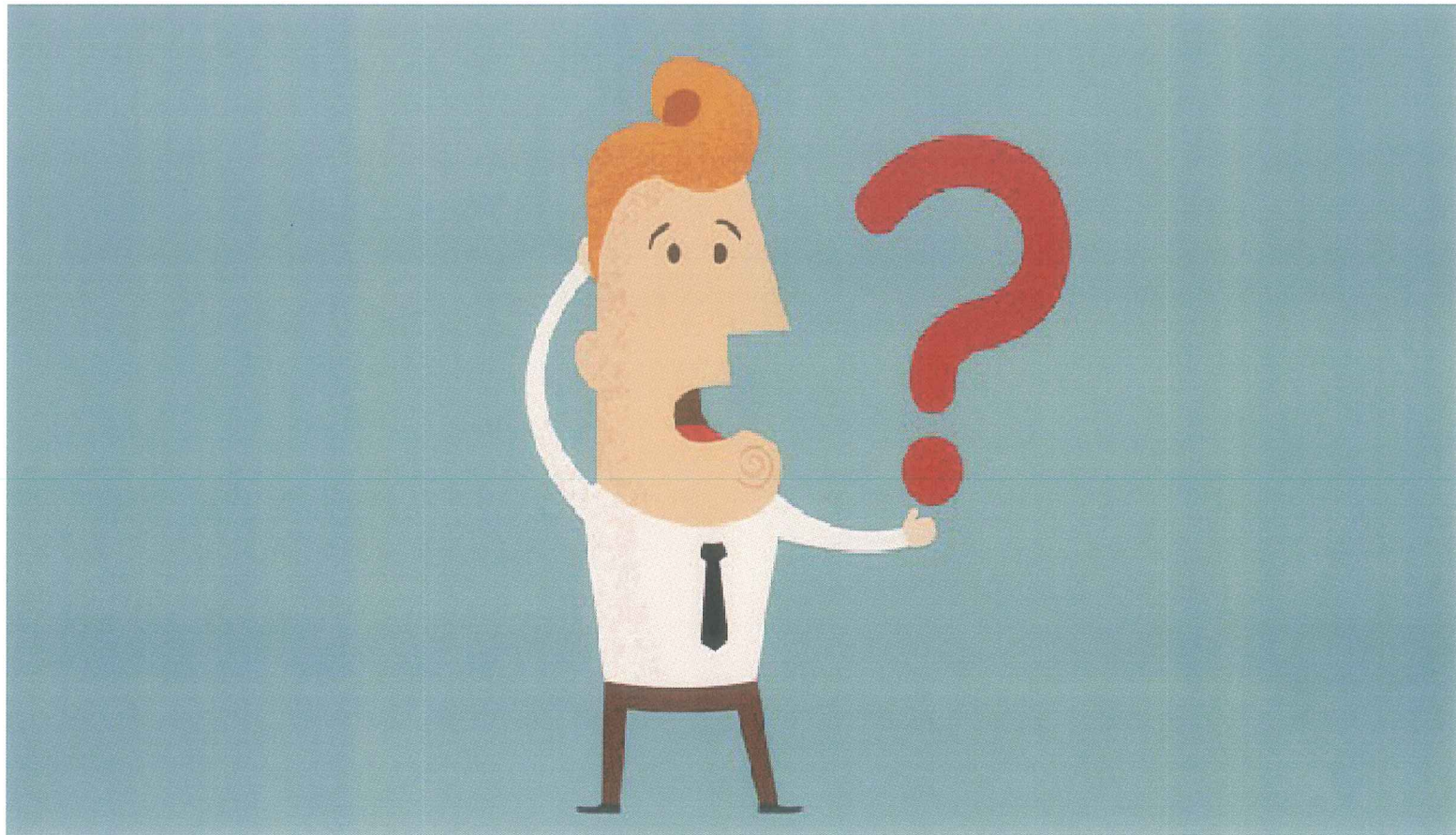
Defining Medicaid Policy: Federal Level

- Federal Laws
- CMS
 - Regulations (general Medicaid as well as specific managed care regulations)
 - Medicaid Manual
 - Informal Guidance
 - Waivers

Defining Medicaid Policy: State Level

- State Laws
- State Regulations
- Single State Agency
 - State Plan
 - 1115 Demonstration Waiver

What questions do you have so far?



What is KanCare?

- Medicaid + Children's Health Insurance Program (CHIP) = KanCare
 1. CHIP (Title 21 of Social Security Act) covers children in families with incomes too high to qualify for Medicaid)
 2. Covers children up to age 19
 3. Benefits almost identical to Medicaid

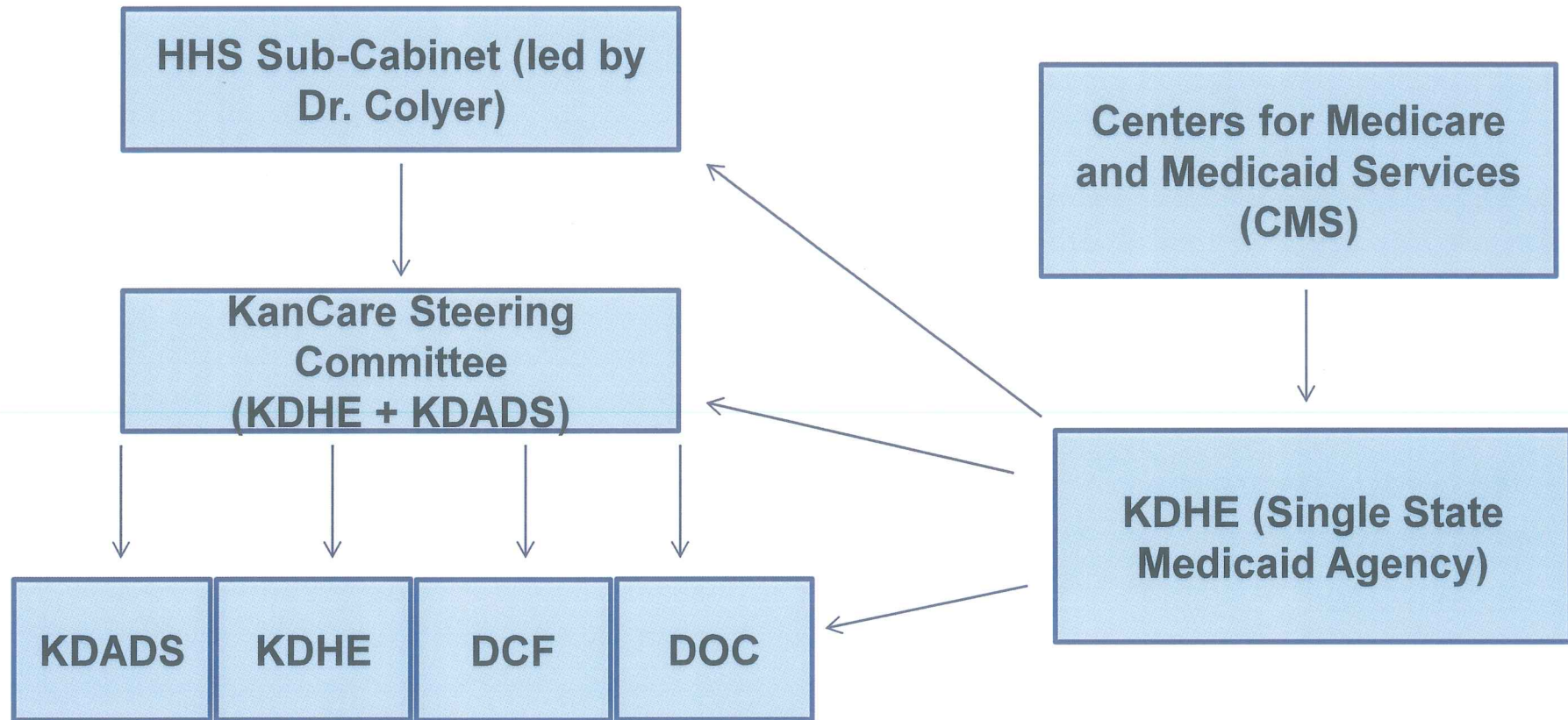
Managed Care

- KDHE contracts with three managed care organizations (MCOs) who:
 1. Enroll providers
 2. Pay for services
 3. Receive a monthly payment for each person in KanCare
 4. Are at financial risk for almost all the costs of care for KanCare members

Payment for KanCare Services

- Capitated per member per month (PMPM) payment made to KanCare MCOs for each KanCare member – 56 rate cells
- Federal government matches those payments (approximately 60 cents for every dollar) – CHIP and some specific services matched at a higher rate
- Providers bill the MCOs for services and are paid, generally, on a fee for service basis

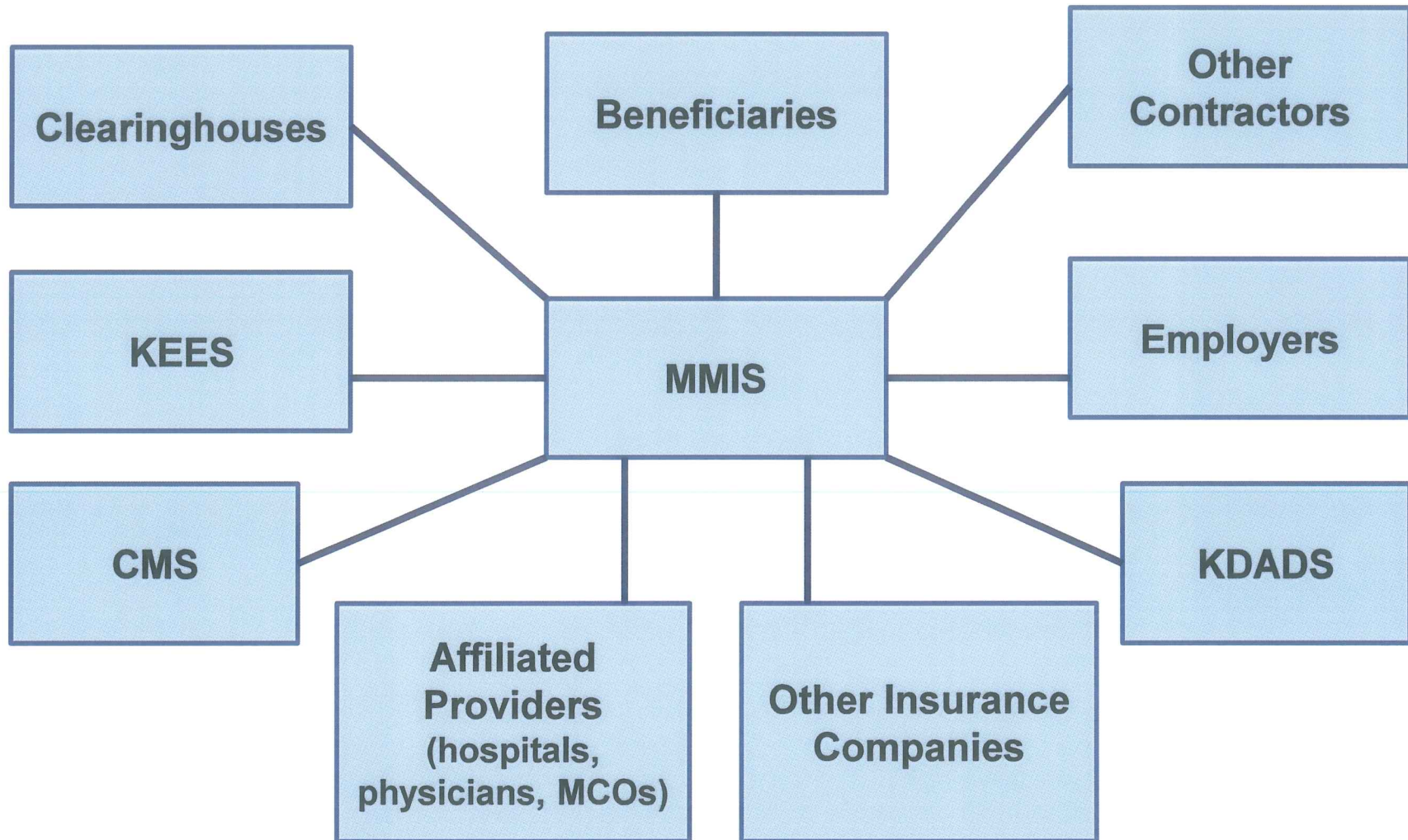
KanCare Policy Development



Agency Roles

- **KDHE**
 - Responsible for:
 - Physical health care services
 - 1115 Medicaid Demonstration Waiver
 - Medicaid Management Information System (MMIS)
 - Medicaid Program Integrity
 - Eligibility policy
 - Managing KanCare Eligibility Clearinghouse and determining eligibility
 - KanCare MCO contract management and compliance
- **KDADS**
 - Oversight of:
 - Behavioral health care services
 - HCBS (1915(c)) waivers
 - Nursing Facilities
 - State MH and I/DD Hospitals
- **DCF**
 - Implementation of eligibility policy for children in custody

MMIS: A Complex System



Medicaid As An Insurer

- Medicaid is the 3rd largest provider of health benefits coverage in Kansas after Blue Cross/Blue Shield and Medicare
- Single largest insurer of children
- Medicaid pays for about 40% of births in Kansas
- Medicaid pays for most mental health services, both nationally and in Kansas

Who Uses Medicaid in Kansas?

Average Monthly Members in Kansas Medical Assistance Programs: FY 11-15

Population	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Families	210,120	227,033	231,463	240,378	250,653
Disabled	62,858	62,837	62,531	62,871	59,958
CHIP	43,226	47,240	51,332	56,758	54,417
Aged	39,178	40,731	42,116	43,885	43,079
Foster Care and Adoption	14,244	14,491	14,972	15,282	15,862
Other Populations	1,569	1,541	1,606	1,687	1,727
MediKan	1,325	900	654	660	694

How Does Someone Apply for KanCare?

- Through KanCare Eligibility Clearinghouse (in Topeka)
 1. Children (including CHIP)
 2. Pregnant women
 3. Caretakers
 4. Disabled
 5. Seniors
 - Two different application forms; can also apply online
-

What Is A Waiver?

- States can ask the federal government to waive (set aside or ignore) one or more Medicaid rules
- Usually ask to waive one of the big three rules
- Home and Community Based Services (HCBS) waivers are the most common (also referred to as 1915(c) waivers)

1915(c) (HCBS) Waivers

- Targeted population (waive the comparability rule)
- Special package of services (waive the comparability rule)
- Can be limited to a certain number of people (waive the comparability rule)
- Designed to bring someone out of nursing facility or other institution (institutional equivalent)

1915(c) (HCBS) Waivers

- Services provided through an HCBS waiver are usually not covered by any health insurance
- HCBS waiver services can have limits and be limited to sub-groups within the waiver (e.g., certain levels of a service or certain number of hours)
- HCBS waivers can also provide extended State Plan services
- Seven HCBS waivers in Kansas

Kansas 1915(c) (HCBS) Waivers

- Autism (children only, begins before age 6)
 - Frail Elderly – FE (65+)
 - Intellectual/Developmental Disability - IDD (age 5+)
 - Physical Disability – PD (ages 16-64)
 - Seriously Emotionally Disturbed - SED (children only, ages 4-21)
 - Technology Assisted – TA (children only, 0-21)
 - Traumatic Brain Injury – TBI (ages 16-64)
-

Kansas 1915(c) (HCBS) Waivers

- Each requires a functional eligibility assessment in addition to a financial eligibility determination
- Functional assessments completed by a third party – not state or MCOs
- Those who receive HCBS can also receive any medically necessary State Plan services

1115 Research & Demonstration Waiver

- Part of the original Social Security Act
- Used to be relatively rare, but now 30 states have one or more 1115 waiver
- Still not as common as 1915(c) waivers
- Not popular with CMS staff because they are very individualized and most of the writing is done by CMS and not the state
- Kansas was granted an 1115 waiver effective January 1, 2013

KanCare 1115 Research & Demonstration Waiver

- How Kansas operates both its State Plan and HCBS waivers
- Authority to require most beneficiaries to receive all their services through managed care plans
- Authority for MCOs to manage HCBS waiver services along with physical and behavioral health services
- Over 100 special terms and conditions (STC)
 - KanCare Ombudsman
 - Quarterly reporting

Medicaid Waiver Costs

- 1915(c) or HCBS waivers must be cost neutral – per capita costs do not exceed average cost of institutional settings
- 1115 waivers must demonstrate budget neutrality – federal spending cannot exceed what would have been spent in the absence of the waiver

Making Changes to Medicaid

- State Plan – once submitted, is just amended when eligibility groups or services are changed or a new SSMA is designated
- 1915(c) waivers must be amended to change eligibility or services and must be renewed every 5 years after initial 3-year period
- 1115 waivers are approved for 5 years and then must be renewed or will expire; they can also be amended any time

Questions?



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Kansas Medical Assistance Standards

Standards in the Kansas Medical Assistance Programs – To be financially eligible, the total countable income must not exceed the income limit for the specified program. Income limits are based on the number of individuals included in the household size of the determination. Unless otherwise specified, all standards are monthly amounts.

1. MAGI programs

The following chart outlines the income limits for the MAGI Poverty Level programs.

Household Size	Medicaid Children and Pregnant Women						M-CHIP	
	113% Children ages 6 – 18		149% Children ages 1-5		171% PW & Infants under age 1		113 - 133% Children ages 6–18	
	Lower Limit	Upper Limit	Lower Limit	Upper Limit	Lower Limit	Upper Limit	Lower Limit	Upper Limit
1	0	1119	0	1475	0	1693	1119.01	1,317
2	0	1509	0	1989	0	2283	1509.01	1,776
3	0	1899	0	2503	0	2873	1899.01	2,235
4	0	2289	0	3017	0	3463	2289.01	2,694
5	0	2679	0	3531	0	4053	2679.01	3,153
6	0	3068	0	4045	0	4643	3068.01	3,611
7	0	3459	0	4561	0	5235	3459.01	4,071
8	0	3851	0	5077	0	5827	3851.01	4,532
Extra Person		392		517		593	392	462

CHIP Children											
Household Size	134 - 166% Children ages 6–18 No premium		150 - 166% Children ages 1–5 No premiums		167 - 191% Children ages 0–18 \$20 premium		192 - 218% Children ages 0–18 \$30 premium		219 - 243% Children ages 0-18 \$50 premium		
	Lower Limit	Upper Limit	Lower Limit	Upper Limit	Lower Limit		Upper Limit	Lower Limit	Upper Limit	Lower Limit	Upper Limit
					Infants under 1	Children 1-18					
1	1,317.01	1644	1475.01	1644	1693.01	1644.01	1891	1891.01	2159	2159.01	2406
2	1,776.01	2217	1989.01	2217	2283.01	2217.01	2550	2550.01	2911	2911.01	3245
3	2,235.01	2789	2503.01	2789	2873.01	2789.01	3209	3209.01	3663	3663.01	4083
4	2,694.01	3362	3017.01	3362	3463.01	3362.01	3868	3868.01	4415	4415.01	4921
5	3,153.01	3935	3531.01	3935	4053.01	3935.01	4527	4527.01	5167	5167.01	5760
6	3,611.01	4507	4045.01	4507	4643.01	4507.01	5186	5186.01	5919	5919.01	6598
7	4,071.01	5081	4561.01	5081	5235.01	5081.01	5847	5847.01	6673	6673.01	7438
8	4,532.01	5657	5077.01	5657	5827.01	5657.01	6509	6509.01	7429	7429.01	8281
Extra Person		576		576			663		756		843

Kansas Medical Assistance Standards

Caretaker Medical	
Household Size	38% Caretakers and Children
1	377
2	508
3	639
4	770
5	901
6	1032
7	1164
8	1295
Extra Person	132

Medically Needy – PW and Children	
Household Size	
1	475
2	475
3	480
4	497
5	558
6	619
7	680
8	741
Extra Person	61

Kansas Medical Assistance Standards

2. Non-MAGI Programs

Standards in the QMB, LMB, and QWD Programs

Household Size	QMB 100%	LMB 120%	ELMB 135%	QWD 200%
1	0 – 990	990.01 – 1188	1188.01 – 1337	0 – 1980
2	0 – 1335	1335.01 – 1602	1602.01 – 1803	0 – 2670
3	0 – 1680	1680.01 – 2016	2016.01 – 2268	
Extra Person	347	417	468	

Standards for Independent Living

Number of Months	Number of Persons in Independent Living							
	1	2	3	4	5	6	7	8
1 mo.	475	475	480	497	558	619	680	741
2 mos.	950	950	960	994	1116	1238	1360	1482
3 mos.	1425	1425	1440	1491	1674	1857	2040	2223
4 mos.	1900	1900	1920	1988	2232	2476	2720	2964
5 mos.	2375	2375	2400	2485	2790	3095	3400	3705
6 mos.	2850	2850	2880	2982	3348	3714	4080	4446
Extra Person	For each additional person, add \$61							

Standards for Long Term Care/HCBS

See section 8160 and 8260 for application of the standards. The Institutional standard is applicable in determining eligibility in either the month the care begins or the following month as specified in 8113. The HCBS standard is applicable beginning the month the choice form is signed, or as per 8270.

The current monthly 300% special income standard for 1 person:

Institutional/HCBS/MFP/PACE: \$2199.00

The current monthly standards for 1 person:

Institutional/PACE: \$ 62.00

HCBS/MFP/PACE: \$727.00

The current monthly standards for 2 people:

Institutional/PACE: \$ 124.00

Kansas Medical Assistance Standards

Standards for Presumptive Medicaid Disability: SI-Related

To be eligible, the total countable income must not exceed the applicable SSI federal benefit rate for the appropriate size household:

Eligible individual In Own Home	\$733.00
Eligible Individual with eligible spouse in home	\$1100.00
Eligible individual in household of another	\$488.67
Eligible individual in Medicaid funded LTC placement	\$30.00
Eligible individual with eligible spouse - both in household of another	\$733.34

Standards in the Working Healthy Program

To be eligible, total countable income must not exceed the monthly 300% poverty level standard for the number of persons in the assistance plan.

Number of Persons in Plan	Monthly 300% Poverty Level Index
1	2970
2	4005
3	5040

For premium purposes, the following standards apply:

1 person household		2 person household		3 person household	
Net Income	Monthly Premium	Net Income	Monthly Premium	Net Income	Monthly Premium
0 – 990	0	0 – 1335	0	0 – 1335	0
990.01 – 1238	55	1335.01 – 1669	74	1335.01 – 1669	74
1238.01 – 1485	69	1669.01 – 2003	93	1669.01 – 2003	93
1485.01 – 1733	83	2003.01 – 2366	112	2003.01 – 2366	112
1733.01 – 1980	97	2366.01 – 2670	130	2366.01 – 2670	130
1980.01 – 2228	110	2670.01 – 3004	149	2670.01 – 3004	149
2228.01 – 2475	124	3004.01 – 3338	168	3004.01 – 3338	168
2475.01 – 2723	138	3338.01 – 3672	186	3338.01 – 3672	186
2723.01 – 2970	152	3672.01 – 4005	205	3672.01 – 4005	205
				4005.01 – 5040	205

Standards in the Medikan Program

The Medikan program shall include either a single adult or a married couple living together as noted in 7430 (5).

The current monthly standard for 1 person:

\$250.00

The current monthly standard for 2 people:

\$325.00